

OFFERING MEMORANDUM

Spirit Lake Mobile Home Park

1935 Spirit Lake Highway
Castle Rock, WA 98611



OFFERING MEMORANDUM

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Exclusive Advisors

This Offering Memorandum contains select information pertaining to the business and affairs of the Sunset Village 1935 Spirit Lake Highway, Castle Rock WA. It has been prepared by Colliers International. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property.

For further information regarding the purchase and sale of this asset, to schedule a tour, or to submit a bid, please contact the following Colliers International professionals:

			
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> Investment Summary

Property Description

Spirit Lake Mobile Home Park is a 5-space, manufactured home community located in Castle Rock, WA. Situated approximately 4.5 miles northeast of downtown, the surrounding neighborhood consists mainly of large lot, single-family homes with a supporting mix of commercial and retail nearby.

The park was constructed around 1978 and is serviced by county water and a private septic system. The majority of homes are double-wide which account for sixty percent of the community. Residents are treated to a quiet and tranquil setting with plenty of shade.

PROPERTY HIGHLIGHTS

- County water services
- Private septic system
- Stable occupancy
- 60% double-wide | 40% single-wide

LOCATION HIGHLIGHTS

- 4.5 miles northeast of downtown
- Close proximity to retail



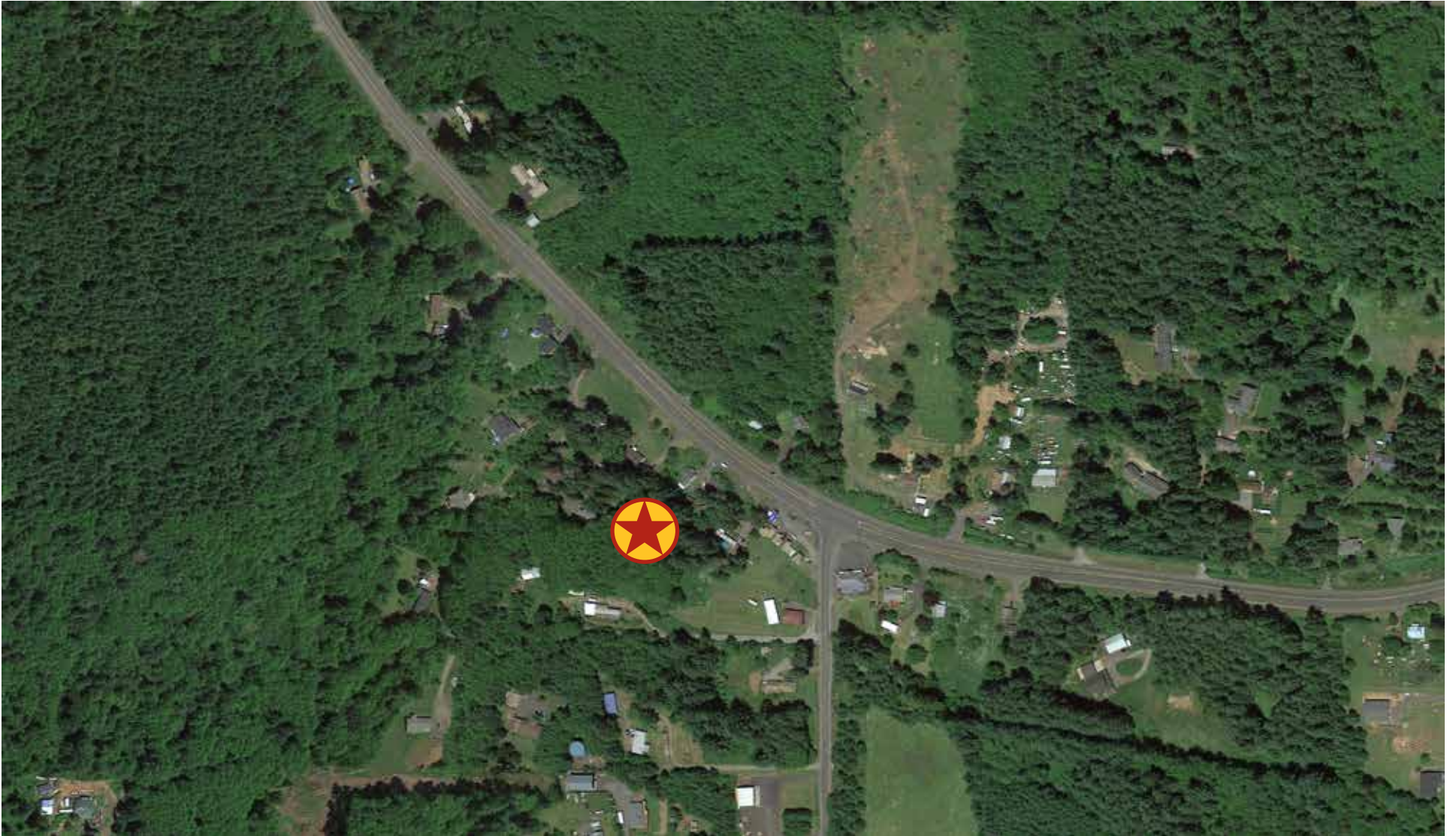
INVESTMENT SUMMARY

Property Details

NAME:	Spirit Lake Mobile Home Park
ADDRESS:	1935 Spirit Lake Highway, Castle Rock, WA 98611
PARCEL NUMBER(S):	WF0610011
YEAR BUILT:	1978
SPACES:	5
LAND AREA:	2.43 AC; 105,851 SF
UTILITIES:	County water services, private septic system
ZONING:	RM; Multiple-Family Residential
AGE RESTRICTIONS:	55+
OCCUPANCY:	100%
DW/SW RATIO:	3 DW 2 SW
PARK-OWNED HOMES:	Zero
OFFERING PRICE:	\$225,000
PRICE PER SPACE:	\$45,000
CAP RATE:	6.11%



INVESTMENT SUMMARY



> Market Overview

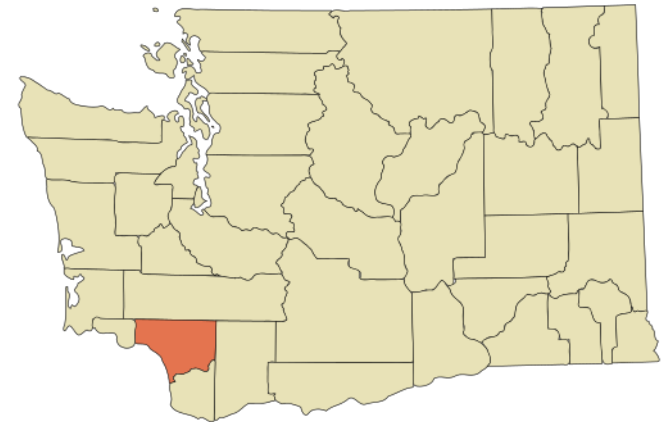
MARKET OVERVIEW

Castle Rock

Castle Rock, the Gateway to Mount St. Helens, is situated between the Cowlitz River and Interstate 5, located 134 miles south of Seattle and 63 miles north of Portland, Oregon.

It is the northern most city in Cowlitz County, with a population of 2,120. Spirit Lake Memorial Highway (State Route 504) connects the city to the Mount St. Helens National Monument and Spirit Lake recreation areas – two of the most outstanding tourist attractions in Washington State. The City of Castle Rock received the Association of Washington Cities 2004 Municipal Achievement Gold Medal Award in recognition of the Riverfront Trail Project.








Castle Rock is a wonderful place to live, work and play. It's a community where the people are as resilient and vibrant as the natural features that surround their home; a place where life-long residents and visitors alike feel they are part of the same tight-knit family.



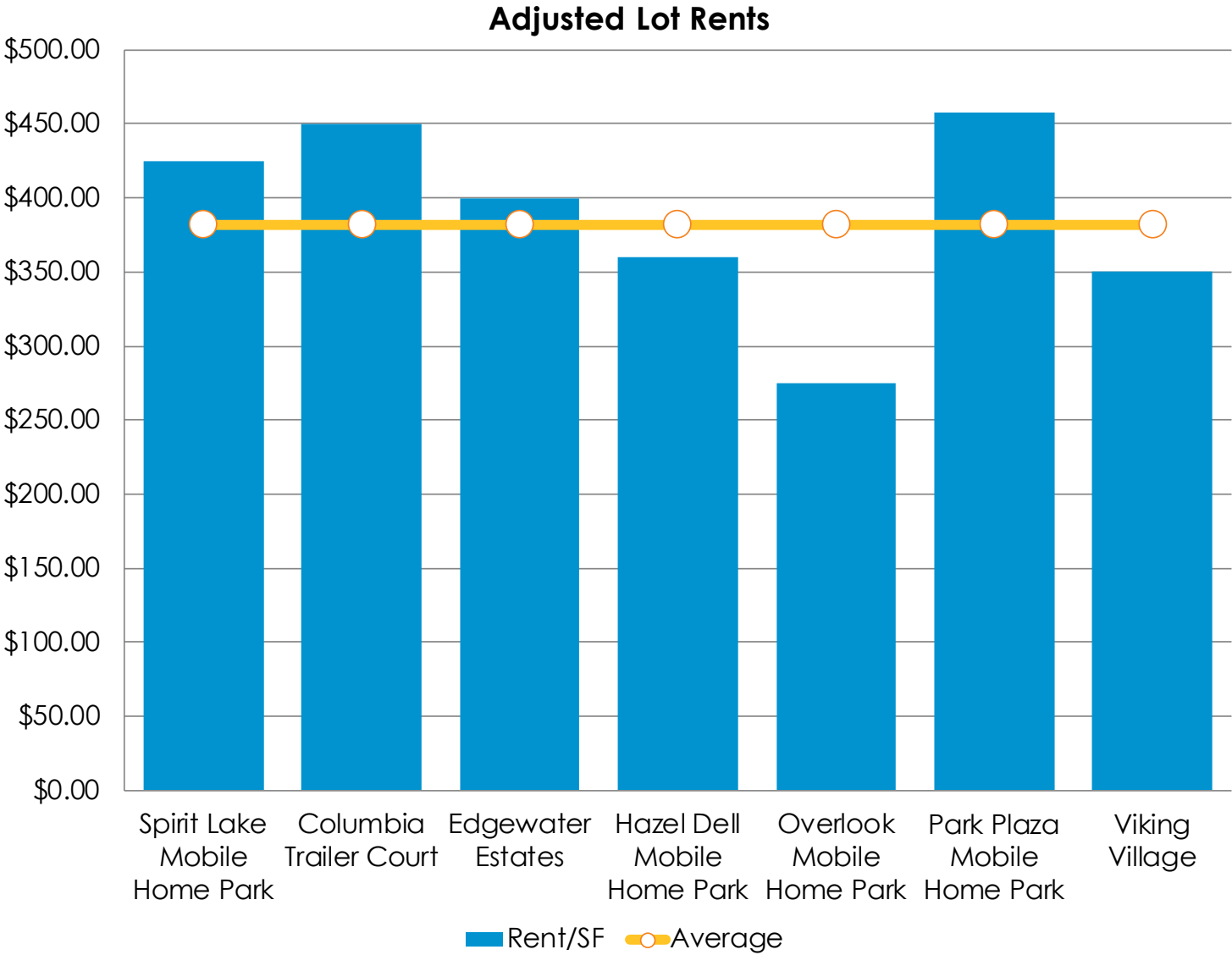
> Comparables

RENT & SALE COMPARABLES

Rent Comparables









		FAMILY/ 55+	# OF SITES	YEAR BUILT	GATED	COMMUNIT CENTER	POOL/SPA	OUTDOOR RECREATION	RV/BOAT STORAGE	LOT RENT	Comments	Adjusted Lot Rent
Spirit Lake Mobile Home Park 1935 Spirit Lake Highway Castle Rock, WA 98611		55+	5	1978	No	No	No	No	No	\$425	Includes water, sewer, garbage. Serviced by septic.	\$425
Columbia Trailer Court 326 Oregon Way Longview, WA 98632		Family	43	1947	No	No	No	No	No	\$450	Includes water, sewer, garbage.	\$450
Edgewater Estates 214 Chapman Road Castle Rock, WA 98611		55+	43	1967	No	Yes	No	Yes	Yes	\$400	Ranges from \$350-\$425. Includes water, sewer, garbage. Serviced by well water and septic.	\$400
Hazel Dell Mobile Home Park 855 Hazel Dell Road Castle Rock, WA 98611		Family	20	1964	No	No	No	No	No	\$360	Includes water, sewer, garbage. Serviced by well water and septic.	\$360
Overlook Mobile Home Park 245 Tower Road Castle Rock, WA 98611		Family	6	1971	No	No	No	No	No	\$275	Includes water, sewer, garbage. Serviced by well water and septic.	\$275
Park Plaza Mobile Home Park 1345 Baltimore Street Longview, WA 98632		Family	63	1967	No	No	No	No	No	\$400	Includes garbage.	\$458
Viking Village 8021 Old Pacific Highway N Castle Rock, WA 98611		Family	16	1970	No	No	No	No	No	\$330	Includes water, sewer. Serviced by well water and septic.	\$350

Rent Comparables



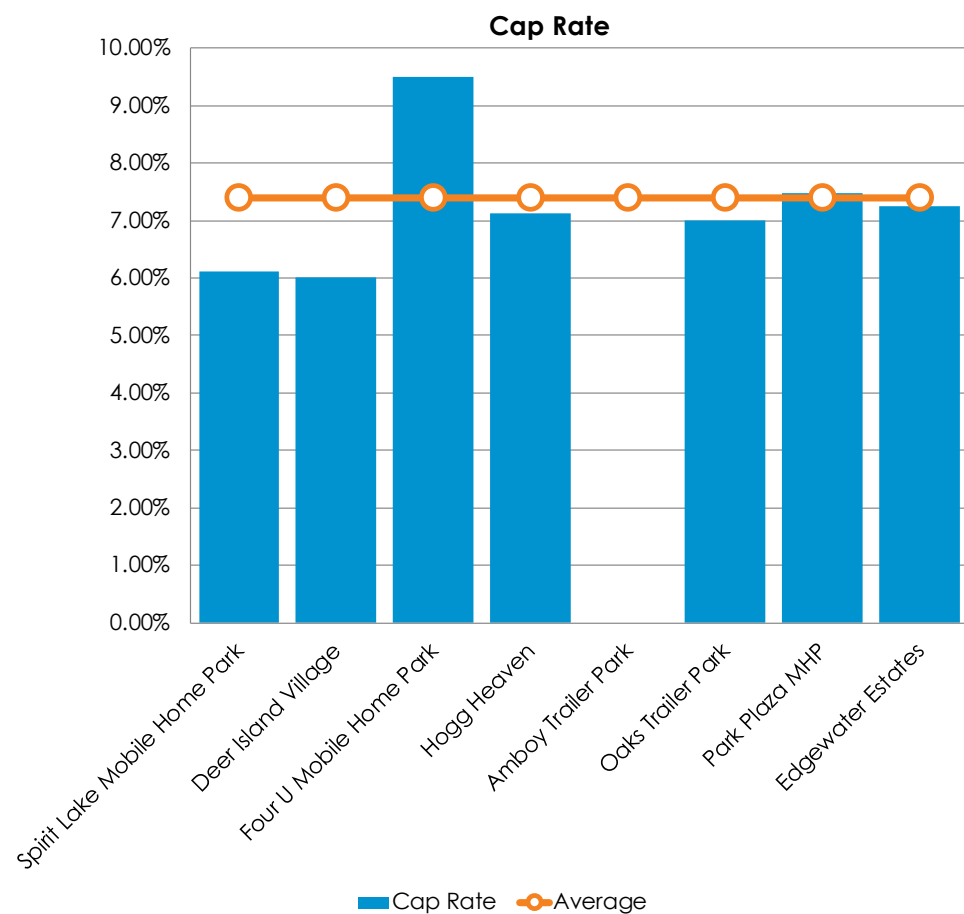
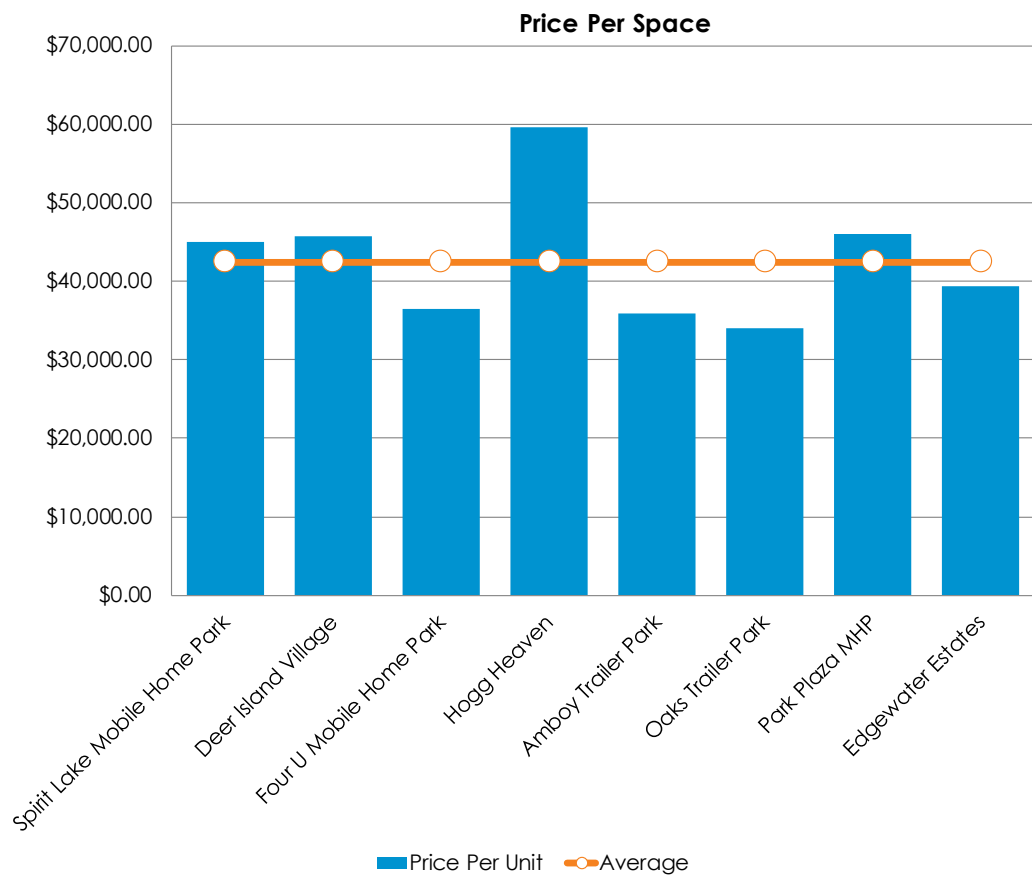
RENT & SALE COMPARABLES

Sales Comparables

			YEAR BUILT	PRICE	# OF SPACES	\$/SPACE	CAP RATE	SOLD DATE
Spirit Lake Mobile Home Park 1935 Spirit Lake Highway Castle Rock, WA		55+	1978	\$ 225,000	5	\$ 45,000	6.11%	
Deer Island Village 64701 Columbia River Highway Deer Island, OR 97054		Family	1960	\$ 2,650,000	58	\$ 45,690	6.02%	7/27/2017
Four U Mobile Home Park 214 Holcomb Avenue Kelso, WA 98626		Family	1976	\$ 950,000	26	\$ 36,538	9.50%	1/27/2017
Hogg Heaven 52251 Teakwood Drive Scappoose, OR 97056		55+	1950	\$ 1,550,000	26	\$ 59,615	7.13%	1/4/2017
Amboy Trailer Park 39617 NE Amboy Road Yacolt, WA 98675		Family	1952	\$ 610,000	17	\$ 35,882	N/A	11/23/2016
Oaks Trailer Park 38308 NW Lakeshore Drive Woodland, WA 98674		55+	1975	\$ 850,000	25	\$ 34,000	7.00%	7/1/2016
Park Plaza MHP 1345 Baltimore Street Longview, WA 98632		Family	1967	\$ 2,900,000	63	\$ 46,032	7.48%	7/29/2015
Edgewater Estates 214 Chapman Road Castle Rock, WA 98611		55+	1966	\$ 1,695,000	43	\$ 39,419	7.25%	7/31/2015
AVERAGE			1964	\$ 1,600,714	37	\$ 42,454	7.40%	

RENT & SALE COMPARABLES

Sale Comparables



> Financial Overview

FINANCIAL INFORMATION

Monthly Scheduled Rent Income			Current				Pro-Forma		
No. of units	Unit Type		Rents		Avg	Income		Rents	Income
			Min	Max					
5	MH Pad		\$ 425	\$ 425	\$ 425	\$ 2,125		\$ 445	\$ 2,225
5	TOTAL					\$ 2,125			\$ 2,225

Annualized Income		Current		Per Unit		Pro-Forma		Per Unit	
Gross Potential Rent		\$	25,500	\$	5,100	\$	26,700	\$	5,340
Gross Potential Income		\$	25,500	\$	5,100	\$	26,700	\$	5,340
Vacancy Factor		Market Estimate	3%	\$ (765)		3%	\$ (801)		
Effective Gross Income		\$	24,735	\$	4,947	\$	25,899	\$	5,180

Annualized Operating Expenses		Current		Per Unit		Pro-Forma		Per Unit	
Real Estate Taxes	2018-2019 Actuals Inflated 3%	\$	1,543	6.24%	\$ 309	\$	1,541	5.95%	\$ 308
Insurance	Market Estimate \$120/Unit	\$	600	2.43%	\$ 120	\$	618	2.39%	\$ 124
Cowlitz County Water	Market Estimate	\$	2,400	9.70%	\$ 480	\$	2,472	9.54%	\$ 494
Garbage	Market Estimate	\$	720	2.91%	\$ 144	\$	742	2.86%	\$ 148
Landscaping	Market Estimate	\$	1,000	4.04%	\$ 200	\$	1,030	3.98%	\$ 206
Management Fee	Market Estimate 7.0%	\$	1,731	7.00%	\$ 346	7.0%	\$ 1,813	7.00%	\$ 363
Accounting/Legal	Market Estimate	\$	1,000	4.04%	\$ 200	\$	1,030	3.98%	\$ 206
Repairs & Maintenance	Market Estimate \$300/Unit	\$	1,500	6.06%	\$ 300	\$	1,545	6.25%	\$ 200
Reserves & Replacements	2% of EGI	\$	495	2.00%	\$ 99	\$	510	2.06%	\$ 102
Total Expenses		\$	10,989		\$ 2,198	\$	11,300		\$ 2,151
Expense Ratio of EGI			44%				44%		
Net Operating Income		\$	13,746		\$ 2,749	\$	14,599		\$ 3,029

> Transaction Guidelines

TRANSACTION GUIDELINES

Offering Procedure

The offering of Spirit Lake Mobile Home Park is being conducted exclusively by Colliers International. All questions and inquiries should be directed to the Colliers representatives listed in this memorandum.

Colliers will be available to assist prospective investors with their review of the offering. On-site inspections of the property and tours of the market area can be arranged directly with Colliers.

Offers should include, at a minimum, the following:

- The purchase price and closing date;
- The source of capital, both equity and debt, for the transaction;
- The amount of earnest money deposit;
- A detailed schedule of the due diligence and requisite approval process; and
- A description of assumptions utilized for the offer.

Please address your offers to the brokers listed below.



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TRANSACTION GUIDELINES

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the Property. It has been prepared by Colliers International. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Colliers International. The material is based in part upon information supplied by the Seller and in part upon financial information obtained by Colliers International from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum from Colliers, you agree:

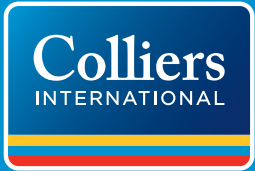
- 1) The Offering Memorandum and its contents are confidential;
- 2) You will hold it and treat it in the strictest of confidence; and
- 3) You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Colliers International expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Colliers International or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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